

Law Enforcement Officers' and Fire Fighters' Retirement System Plan 1

Member's Benefit Estimate Worksheet

This worksheet should answer some of your questions about how your LEOFF Plan 1 retirement benefit is calculated. To assist you in completing the worksheet, we have included an example of "John Doe's" retirement calculation. The results of this retirement benefit estimate are only estimated benefits based on projected salary and service credit. Your actual retirement benefit may be different as it will be based on final employer reporting.

You can retire from LEOFF Plan 1 at age 50 if you have at least five years of service credit.

How service credit is counted

You receive a month of service credit for each calendar month in which you receive basic salary for 70 or more hours. No more than one month of service credit may be obtained during any calendar month, even if you receive basic salary for more than 70 hours from each of two employers in a month. Years of service credit are calculated by dividing the total months of service credit by 12.

Benefit Formula

The formula for your monthly service retirement benefit varies according to your length of service.

$$\text{Years of service} \times \text{FACTOR} \times \text{Final Average Salary (FAS)}$$

The FACTOR is determined by your total years of service credit:

- Fewer than ten years ... FACTOR is 1%
- At least ten, less than 20 years..... FACTOR is 1.5%
- Twenty or more years FACTOR is 2%

Final Average Salary (FAS)

For purposes of this estimate determine your final average salary as follows:

- The basic monthly salary for your position or rank when you retire.
- If you are disabled, it is your basic salary at the time of disability retirement.
- If you are a vested member who separated from employment before becoming eligible to retire, it is your basic salary at the time you left service.

Benefit Limitations

If you established membership in LEOFF after February 18, 1974, your service retirement benefit is limited to 60 percent of final average salary.

LEOFF Plan 1 Benefit Estimate

<i>Member's Benefit Estimate Worksheet</i>	You	John Doe
Step 1: Determine your anticipated date of retirement.		Sept. 1, 2005
Step 2: Determine your total service credit years as of your anticipated date of retirement. 2a. My current balance of LEOFF service credit years		25
2b. The number of years until my anticipated retirement date:		5
2c. My projected service credit years at retirement: (2a + 2b = 2c)		25 + 5 = 30
Step 3: Estimate your Final Average Salary Final average salary (FAS) See the definition on page 1.		\$4,000
Step 4: Compute your benefit. Service years x FACTOR* x FAS 4a. My projected service credit years (2c) times FACTOR*: * To determine your FACTOR, see "Benefit Formula" on page 1.		30 x .02 = .60
4b. My FAS (3) times 4a: (result is your standard benefit)		\$4,000 x .60 = \$2,400 per month

After Retirement

LEOFF Plan 1 COLA

On April 1 of every year following your first full year of retirement for service or disability, your monthly benefit will be adjusted by the percentage change, if any, in the Consumer Price Index (CPI, Seattle).

Payment for Medical Services

Your employer is required to pay for your necessary medical services whether you are an active member, on disability leave, or retired for service or disability. Payments by your employer will be reduced by any amounts you receive or are eligible to receive under Workers' Compensation, Medicare, insurance provided by your LEOFF employer or another employer, other pension plan, or any other similar source.

Survivor Benefits

If you die after you begin a service or disability retirement, your eligible surviving spouse will continue to receive the amount you were receiving at the time of death. The amount of your spouse's benefit will be increased by 5 percent of final average salary for each eligible child, to a maximum of 60 percent of final average salary.

If your children have a legal guardian, the increase for the children will be paid to the guardian. If you have created a trust for the children's benefit, the increase will be paid to the trust.

For more detailed information refer to your LEOFF Plan 1 Member Handbook, or call DRS at 1-800-547-6657.